

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 19525
[REDACTED],)	
)	DECISION
Petitioner.)	
_____)	

On May 19, 2006, the Tax Discovery Bureau (TDB) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NOD) to [Redacted] (petitioner) proposing income tax, penalty, and interest for the years 2002 and 2003 in the total amount of \$2,123.

On July 20, 2006, a timely protest and petition for redetermination was filed by the petitioner. An informal hearing has not been requested by the petitioner. The Commission has reviewed the file, is advised of its contents, and hereby issues its decision affirming the NOD.

The petitioner failed to file her 2002 and 2003 individual income tax returns. On October 6, 2005, the TDB sent a letter with a questionnaire to the petitioner to help the Commission properly determine the petitioner's filing requirement. The petitioner returned the completed questionnaire indicating that she had filed her 2002 and 2003 returns. The Commission did not have a record of the petitioner filing these returns.

Another letter dated March 8, 2006, was sent to the petitioner requesting that she file the missing returns within 15 days. [Redacted].

In the petitioner's protest she indicated that she had been in the hospital and would need more time to file the returns.

On November 15, 2006, the Tax Policy Specialist (policy specialist) sent the petitioner a letter to inform her of the alternatives for redetermining a protested NOD. A follow-up letter was

sent to the petitioner on February 1, 2007.

The petitioner wrote a note that was received March 26, 2007. The note was written on the policy specialist's letter dated February 1, 2007, in which she stated that she was sorry for not responding because she had been extremely ill (cancer) and had to work part-time but can pay \$50 per month starting April 16, 2007.

It appeared to the tax policy specialist that, due to the petitioner's current circumstances, she might not be able to pay all of the tax, penalty, and interest due the state of Idaho in a timely manner.

On May 16, 2007, the policy specialist sent the petitioner a letter and a Financial Statement form. In the letter, the policy specialist informed the petitioner that the Idaho State Tax Commission may reduce the amount of a deficiency when the petitioner can show "extreme financial hardship." The petitioner was asked to complete the Financial Statement form. The petitioner was told that the Commission must have the completed form to determine whether financial hardship may be used as a basis for lowering the amount of her income tax deficiency. The petitioner was given until June 14, 2007, to return the completed Financial Statement form to the Commission. The petitioner did not respond to this letter.

It is well settled in Idaho that a NOD issued by the Idaho State Tax Commission is presumed to be correct. Albertson's Inc. v. State, Dept. of Revenue, 106 Idaho 810, 814 (1984); Parsons v. Idaho State Tax Commission, 110 Idaho 572, 574-575 n.2 (Ct. App. 1986). The burden is on the petitioner to show that the tax deficiency is erroneous. Id. Since the petitioner has failed to meet the burden in this case, the Tax Commission finds that the amount shown due on the Notice of Deficiency Determination is true and correct.

The petitioner has not provided the Commission with a contrary result to the determination

of her income [Redacted] Therefore, the Commission must uphold the deficiency.

WHEREFORE, the Notice of Deficiency Determination dated May 19, 2006, is hereby APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the petitioner pay the following tax, penalty, and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2002	\$1,112	\$278	\$312	\$1,702
2003	375	94	86	<u>555</u>
			TOTAL DUE	<u><u>\$2,257</u></u>

Interest is computed through November 29, 2007.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of the petitioner's right to appeal this decision is enclosed.

DATED this _____ day of _____, 2007.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____, 2007, a copy of the within and foregoing DECISION was served by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[REDACTED]

Receipt No.